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1996 State of the State Address

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Mr. Speaker, Mr. President, ladies and gentlemen of the General Assembly, my fellow South Carolinians, it is my honor to appear before you to update you on the state of our state. Welcome to the Koger Center. I know some of you vowed to throw me out of the State House, but I didn't know it'd be so soon. I welcome you back to work.

For the first time in several decades, one of our most accomplished leaders is not with us tonight. I ask that you rise in a moment of silence in memory of our friend, Senator Marshall Williams.

I want to congratulate another distinguished senator, elected by his colleagues President Pro Tempore. Senator Drummond, I pledge to you my cooperation, and in light of your elevated position, I want you to know that my fishing pond in Society Hill is open to you any time.

Tonight I will discuss some problems which cannot be ignored and also some successes which should not be ignored. The bottom line is this: The work that you have done, first with Governor Campbell and now with me, has made South Carolina a major player in the global economy.

NationsBank economists report that our exports have doubled the national average since 1987. For the third quarter First Union reported that our economy outperformed the national average, and Everen Securities ranked us third strongest in the country. This state's sustained effort to raise the quality of life is penetrating racial and socio-economic barriers, providing hope and opportunity for citizens who have had neither. The Census Bureau ranked South Carolina third in the nation in percentage increase of black-owned businesses and first in reducing poverty. Households needing food stamps are down nearly five percent for the latest reporting period. AFDC payments are down almost nine percent.

These accomplishments are a result of a decade of visionary work by political leadership of both parties who have stayed the course through prudent use of limited resources. And I want to tell the people of South Carolina that the men and women in this room deserve much of the credit. You were active participants in 1995 as new investments broke all-time records, international and rural investment reached historic levels, while new jobs hit a 30-year high.

Ladies and gentlemen, we cleaned clock last year. The figures are mind-boggling: 5.4 billion dollars in capital investment; 24-thousand jobs, paying 27 percent better than the average for all industries; rural investment breaking the billion dollar mark for only the second time in history.

Teamwork did it. The Cabinet you approved gave me the key decision-makers to put deals together. The Enterprise Zone Act you passed gave us the framework, netting 2.6 billion dollars in investment and 12-thousand jobs.

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Of course, there are some who chalk it up to luck of a decent national economy. The truth is that federal budget problems threatened this state's future with thousands of job losses at the Charleston Naval Base and Savannah River Site. There are few states in the nation that could take those blows and still have record economic growth.

We did it because this legislature and governor believe prosperity comes before politics, and when it comes to improving the quality of life by creating jobs, we are one.

Our successes go beyond economics. There are other victories to build on. A sustained effort involving government, physicians and business has made South Carolina a leader in fighting childhood diseases which cripple and kill.

We are number one in the nation in immunizing two-year-olds, and we ought to be proud of that. A similar public-private sector partnership reached a milestone last year. The Caring for Tomorrow's Children program, working cooperatively with DHEC, is saving lives. Ladies and gentlemen, we have reduced infant mortality 26 percent in five years.

It's important to remind ourselves of these accomplishments. That we can compete with any state for jobs...that we can reach the top in immunizations and cut infant mortality...validates more than policy. It validates us as a people.

We still have problems: too much poverty; lackluster performance in some school districts; pockets of economic stagnation; too many children without hope. But as we address these problems, let us remember our accomplishments. If we can come as far and as fast as we have on the world economic stage, then there is no problem that we cannot solve together.

These achievements have been realized because we understand the responsibilities and limitations of government, and we also understand that a vibrant private sector is essential to improving the quality of life. Last year we set new economic development records, cut government waste, passed the largest tax cut in history, maintained commitment to public education, cracked down on violent offenders and started the transition from welfare to work. You can tell your children and grandchildren that you were a part of one of the most important sessions in history.

Changes that we set in motion have led to a new attitude in government, a new cooperative spirit. DHEC and the business community have worked out a fee system to fund environmental programs and expedite permit applications, proving that agencies and business can cooperate.

The Department of Commerce has created the Community Development Division to help rural South Carolina grow, and there's renewed emphasis on expanding home-grown businesses.

There's also a new attitude at Social Services, which will implement this year the Family Independence Act. We began pilot reforms last fall in Charleston. Immediately there was a huge increase in the number of people going to the Department of Social Services – not for welfare, but for work.

Not long ago the Department of Social Services was frozen by internal warfare. Today DSS, from the counties to the state, is one unit bent on a mission. We are changing the culture of the welfare bureaucracy that too often treated people callously, feeding their sense of frustration.

There's a new rule at the Department of Social Services: Every client will be treated with dignity and will have the opportunity to rise above his or her circumstances. Likewise, we expect the same attitude from the clients as we move from a system that generated dependency to one which promotes self-sufficiency.

The transition won't be easy since we are changing 30 years of habit. But we will meet those on welfare more than halfway. We will do everything within our power to clear the path from welfare to work, but those on welfare must walk that path themselves.

While we expect adults to make the right choices, children have no choice. We have made significant progress in reforming state government, but children's services need our attention. Twenty-four state agencies and offices have child-related functions. A child with special needs may go unserved for months while parents try to break the code of children's services. Parents tell me that not only are too many agencies a problem, but the bureaucracy they have to deal with is a nightmare. Forms and people and procedures are endless.

Accordingly, I have instructed my staff and Cabinet to work with you, child advocates and other agencies to find ways to streamline and, if necessary, consolidate children's services so that we may be a help, not a hindrance, to the families who need us.

Emerson said what we do speaks louder than what we say. All of us want to encourage family self-sufficiency and responsibility. Yet state agencies that work with families and children are open only during normal working hours. This makes it difficult and often impossible for working people to get help.

State government is a service to the people. Therefore, I am asking all agencies that deal with families and children to find ways to stay open until 7 p.m. during the week, and to consider opening on Saturday mornings to make government more consumer-friendly.

As we work to protect all children, we sadly face the reality of having to protect society from some of the children. Juvenile violence is a national crisis and defies simplistic solutions that some propose. It's more than poverty or lack of opportunity or any other one thing. Its roots are embedded in a moral breakdown that encompasses the material, as well as the spiritual.

I quite frankly don't have all the answers and don't know anyone who does. But I do know our juvenile justice system needs immediate attention. I am proposing 29 million dollars for facility construction and improvements which comply with the court order to relieve overcrowding. Moreover, I've appointed a Juvenile Justice Task Force of law enforcement, family court judges and other distinguished citizens to help us find solutions.

The task force is going beyond incarceration and looking at the broader problems among at-risk youth to get at the root causes of crime. Our challenge is to reach young people before it's too late.

You took a bold stance last year against adult offenders. Two strikes and you're out for violent offenders. Three strikes and you're out for nonviolent criminals. The Department of Corrections has revised its mission to protect the public and instill discipline. Inmates are required to work, many alongside interstate highways picking up litter. Uniforms are being handed out, and haircuts are required.

Our message to would-be criminals – young and old alike – is that prison life is tough, and you don't want to be there. I'm hopeful this message is getting through, especially to the young people. But as we send a stern warning, we must also be extending a message of hope to the children.

Plato dreamed of the young people in his day dwelling "in a land of health, amid fair sights and sounds, receiving good in everything." Would that we be such noble dreamers. And though we can never assure that all children receive good in everything, we can work toward the goal of every child receiving the good in some things.

Physical security and health. Education. Economic opportunity. These are more than noble dreams, they are moral imperatives.

We have established beyond doubt our ability to compete globally for jobs. But what about 10 years down the road? The skills have to be there, or the jobs won't be. In five years, more than half of the jobs in the United States will require skills that only 22 percent of Americans now possess.

Accordingly, my budget devotes nearly a third of all new revenue, about 191 million dollars, to education. It reiterates time-tested commitments by fully funding the Education Finance Act and, most importantly, maintains our commitment to teachers by paying them at the southeastern average. We will not back away from these basic responsibilities.

My budget also anticipates the doubling of the size of the Governor's School for Science and Math. Here are some reasons why. Just 58 graduates last year were offered five million dollars in college scholarships. Nearly all graduates not only go to college, but pursue advanced degrees. And understand this: every student, regardless of household income, is on scholarship. Merit is the only criterion.

But there are more applicants than room. It is time to take this unqualified success story to another level by doubling its size and making this unique program available to more deserving students. The world demands scientists and engineers who understand technology. But humanity demands the writers and artists who understand the world.

I ask you to appropriate six million dollars to provide the basis for a private match to create a year-round Governor's School for the Arts and Humanities in Greenville. These schools represent positive change, and we should not fear change. The Chamber of Commerce has proposed further reform whose time has come. I endorse the Chamber's proposal to create charter schools in South Carolina.

Last year you and I made a decision that was critical for the environment and education. We left the Southeastern Low-Level Nuclear Waste Compact after North Carolina reneged on its commitment to site a facility, leaving South Carolina in an environmental crisis.

We faced the possibility of closing the one safe, regulated, scientifically engineered facility in Barnwell, and the opening of less safe, less regulated and less scientifically engineered facilities in communities all across South Carolina. We made the only choice that ensures public health and safety.

We also chose to use the funds generated from Barnwell for the Children's Education Endowment: hundreds of millions for college scholarships and school renovation beginning this year.

We have been criticized and demagogued for these decisions. But let me be politically incorrect: These critics are the same voices who give lip service to improving education but never deliver.

The Children's Education Endowment is action, not promises. It declares that we will no longer ask children to learn and teachers to teach in schools that are falling apart. And with money for college scholarships we will not sit back and watch our children going to other states for their education. We'll keep them here at home where we need them.

Since 1984 the people of South Carolina have paid three billion dollars in higher sales taxes to improve our schools. Progress has been made, but no one is satisfied. While some of our schools can compete with anybody, others are languishing in mediocrity.

Much of it has to do with home life and schools being asked to bear responsibilities borne in other generations by parents. Inadequate resources certainly are a part of the problem for some schools. But reality is that try as we might, we will never be able to equalize the pool of talent available to each school district. Because of their location and a host of other factors, some districts will always have an advantage in recruiting talent. We are beginning to address school infrastructure needs with the Children's Education Endowment.

But infrastructure is more than physical plants. It's technology. Today it's possible to offer every student advanced placement courses, specialized instruction, and master teachers, regardless of location. Through the use of multi-channel and satellite programming from ETV, we can link every school with state-of-the-art technology that opens the door to 21st century jobs.

Just think what it would mean if every high school had interactive access to the highly specialized courses taught at the Governor's School for Math and Science. Imagine the possibilities of making our best and brightest teachers available to every school. Computers, laser disks and interactive video are the blackboards of tomorrow.

Dr. Nielsen, in partnership with business, has developed a state technology plan for every school. The Education Department's plan suggests that telecommunications links, video resources, and teacher training are the building blocks for school technology. These things are possible, ladies and gentlemen. As they say in school, it's show and tell time.

*(Governor performs technology demonstration, )*

We have the technology to do this. We have lacked the commitment. Tonight I ask you to make this commitment by putting 20 million dollars to the first phase of our plan to give every child in South Carolina access to real equal educational opportunities. And I ask you to commit to a 100 percent computer and satellite link-up within four years.

But let's return from cyberspace to earth for a minute. About 408 thousand South Carolina children use school buses. Much of the fleet needs replacing. We have been operating some of these buses off borrowed time. Time has run out.

One hundred million dollars will buy one-thousand-800 buses. I ask you to issue an emergency bond bill for 100 million dollars devoted solely to new school buses. The safety of our children must come first.

At the same time, we must revisit the role of higher education. Funding is of course critically important, and I am proposing substantial increases in recurring dollars, giving more stability to funding sources. But money without a strategy and accountability is not good stewardship.

The Higher Education Study Committee is conducting a comprehensive review due next month. The committee is rightly targeting economic development, academic quality, cooperation between higher education and the business community, and performance-based funding.

The committee's work will provide key direction, but let me just say a couple of things. There is intrinsic value in education. But there is more value in an education that understands business, works with business, and prepares the students to succeed in business. Cooperation between higher education and the business community should not be optional.

And one more point. The technical education system is a critical factor in economic development. I oppose any effort to change its mission.

Tonight I've discussed how to give our children knowledge. But knowledge without wisdom is like a ship without a rudder. Wisdom, after all, is understanding how to use knowledge constructively. Too many children have never been taught basic character traits such as honesty, responsibility, and respect. They don't get it in the homes, and they take it out on the public schools.

It seems to me that we have two choices. One is to act as though virtue does not exist and maintain a value-free school environment. The other is for South Carolinians to coalesce around a set of principles that historically have defined what it means to be a good person, and let parents and educators at the local level decide whether and how to teach them.

For more than a year, the Department of Education has been holding hearings around the state with parents, religious leaders, and teachers. Programs have been devised to encompass positive character traits which most everybody agrees with.

From the ancient Greeks to our founding fathers, moral instruction was an essential component to education. The courts have chipped away at such instruction, and we're paying a price for it. Character education is no substitute for parents or clergy, and it never will be. But given the courts' complete misinterpretation of the church-state doctrine, it's all we can do in public schools and it merits consideration.

Tonight I've outlined my vision for the future of education. But the challenge of continuing to attract world-class companies is imminent. The Coordinating Council for Economic Development will need 30 million dollars this year for infrastructure improvements. The payoff could be huge, in the billions.

Maintaining momentum in job creation requires an infrastructure focused on education and economic development. But we also must have the highway infrastructure in place.

Last year we added 24 million dollars to revenues available to the Department of Transportation. This year I will propose redirecting other revenues. These collective changes will give us 66 million dollars more for roads and highways over two years. That is equivalent to a three cent gas tax, but the difference is we're not raising taxes.

When Alexander the Great visited the philosopher Diogenes and asked whether he could do anything for him, the philosopher told the politician, "Yes, stand a little less between me and the sun." Ladies and gentlemen, I'm asking you for further tax cuts this year so that we may stand a little less between the people and the sun.



Make no mistake about it...tax cuts are economic development tools. That money doesn't go into a hole somewhere, never to be seen again. It flows back into the economy, producing jobs and, yes, taxes that allow government to function. The difference is that the people who earn the money are making the decisions about how to use it, not government.

But there's another reason to cut taxes. We say we want to help children and working families. We express concern about seniors living on fixed incomes and wanting to make South Carolina a retirement mecca.

We agree that we must remain competitive in the world market for high-paying manufacturing jobs. My tax cut package includes 37 million dollars more in property tax relief; ten million to continue the phase-in of tax relief for families with young children; ten million to begin the process of equalizing tax depreciation treatment of industrial and commercial property; and a four and a half million dollar tax cut to increase the exemption for senior citizens. What better way to express our priorities than by letting those who make the money keep more of it?

On another front South Carolina is preparing for a larger state role in Medicaid and other health issues. We do not have the luxury of waiting for a decision from Congress. We must move ahead. I have directed my staff to begin planning for these changes, not by protecting agency turf or privilege, but by constructing models that control costs and improve services with emphasis on prevention.

Tonight I've outlined for you the state of our state. Our accomplishments are significant, likewise our challenges. We are working to raise the standard of living through job growth and education. We seek to grow the economy, not tax it; reward initiative, not punish it; nurture achievement, not stifle it. But even if we succeed in leading the nation in all these things, and if our children have not learned to do justice and practice mercy, then we will have failed.

I have appointed a panel to assess race relations. We don't need to be told there are problems. We need this group to help us find solutions, not only solutions which we can legislate on paper, but ones which can be written on the tablets of the human heart.

What Samuel Johnson wrote is true: "How small, of all that human hearts endure, that part which laws and kings can cure." In the end, a people are judged not by how they treated the elite among them, but the least among them.

Tonight I am announcing that we will create a private, nonprofit foundation called The Putting Families First Foundation. I will use the money left over from my inauguration fund, about 200 thousand dollars, as seed money to hire a director, establish an office, and recruit a governing board.

The Putting Families First Foundation has one purpose: to encourage every church, every synagogue, every civic club and organization to adopt a welfare family...and help that family make the transition to independence.



We will provide more than encouragement. There will be training tools and educational materials available. The Department of Social Services will work with these groups to match need with resources.

Tonight I am asking all South Carolinians to consider this. Virtually every church and synagogue has a wealth of talent that welfare families need: workers who can teach skills for children; doctors who can heal; business people who can teach budgeting. The talents available in every house of worship and civic club are exactly what welfare families need.

This concept is not new. Those reaching out to the least of these are at work across this state every hour of the day. The Putting Families First Foundation seeks to build upon the good will already present, to marshal it and expand it, to build a community of compassion, destroying barriers and building bridges, melting hearts and changing lives.

I've been associated with this great body called the General Assembly for 18 years. Your job gets tougher. The critics are louder and the hours longer. But your dedication has put us in the position to break out of the old patterns of mediocrity.

Everything I've discussed tonight is within our grasp, ladies and gentlemen. I'm confident. I'm confident in our people and in you.

I consider it an honor and privilege to welcome you back to Columbia and work with you for another banner year. May God bless our efforts.

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